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Refining

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1. The SMV is still working on expansion of refining facilities. It is reported that the Soviets expect eventually to raise the production capacity of the Nova Denow and Moosbierbaum refineries by 80 percent. Meanwhile, several SMV refineries have increased the production of petroleum by-products: Nova Denow is now manufacturing bitumen, a crude oil derivative from which tar is obtained, and the Okeros-Stockerau refinery has resumed production of ceresin.
 2. Donau-Chemie A.G. has finally received the two tankcars of sulfuric acid which the SMV purchased from Fritz Reimann last October. This sulfuric acid was forwarded to Vienna via Lenzing, Upper Austria, where new shipping documents were issued to conceal the point of origin. (1)
 3. Donau-Chemie has delivered the following amounts of sulfuric acid to the refineries since the first of November 1950:

<u>Refinery</u>	<u>No. of Kilograms of Sulfuric Acid</u>
Nova Denow	43,310
Kledering	37,340
Korneuburg	14,470
Moosbierbaum	28,250
Voesendorf	16,660
Vacuum Oil Company	15,000

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SMV warehouses

4. The combined value of the monthly turnover at the SMV Central warehouse, Neusiedl a/d Zaya, and the SMV's Lobau warehouse amounted to 23,742,570.32 schillings for August 1950; 29,317,412.50 schillings for September 1950;

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and 32,469,354.19 schillings for October 1950. It is reported that SMV's storage space is now at such a premium that only about 10 percent of current purchases are being delivered to SMV warehouses; most orders are sent direct from the supplier to the refineries and drilling areas.

5. The SMV Central Warehouse in Neusiedl a/d Zaya received the following import shipments in the period between 9 and 20 November 1950:

13 cases of ball bearings, weighing a total of 815 kilograms, from Soyuzpromeksport, Moscow.

4 carloads containing a total of 89,190 kilograms of pipe from Nikopol, USSR.

7 carloads containing a total of 151,550 kilograms of pipe from Khrompik, USSR.

6 carloads of pipe, weighing a total of 138,850 kilograms, from Taganrog, USSR.

48 sections of pipe, weighing a total of 15,300 kilograms, from Mased, Csepel, Hungary.

SMV Purchases

6. The SMV Purchasing Office is making a concentrated effort to expedite procurement for SMV enterprises which are now hastening to meet the Soviets' 1950 quotas. Nine of the SMV's most competent purchasing agents have just been transferred from the oilfield areas to the Purchasing Office. (2) In the past few weeks the Purchasing Office has resumed its former policy of authorizing representatives of the various SMV installations to purchase directly from the supplier as soon as an order has been cleared. Meanwhile, SMV Headquarters has been disbursing all large schilling payments and it is now handling the SMV's account at Mannesmann-Trauzl A.G. and "Chemia" Chemikalien G.m.b.H. At present the SMV owes 2,500,000 schillings to Mannesmann-Trauzl and at least 220,000 schillings to "Chemia" Chemikalien which has threatened to stop deliveries unless this debt is cleared.
7. Shvetsov, acting director of the SMV Purchasing Office, is trying to procure 1,000 tons of ascending and drill pipe but so far he has not been able to purchase this commodity in Switzerland, Western Germany or the Satellites. Because of the present pipe shortage, the SMV is now handling all pipe shipments from the Soviet Union on a priority basis. Ninety percent of this Soviet-made pipe is destined for the Matzen oilfields.
8. Shvetsov has issued a directive forbidding any SMV installation to order tires direct from the Semperit factory; all tires must be purchased through individual dealers.
9. During the period between 9 and 13 November 1950 the SMV Purchasing Office paid cash for the following purchases. (All USIA-controlled firms in this list have been noted by an asterisk. Unless otherwise indicated, all non-USIA enterprises are located in the Allied sectors of Vienna.)

<u>Firm</u>	<u>Item Purchased</u>	<u>Amount in Schillings</u>
Oesterreichische Sprengmittel-Vertriebsges. m.b.H.	Powder	15,400.00
* Oesterreichische Unilever A.G., Seifen- und Waschmittel-, Margarine- und Speiseoelfabrik n	Steel beams (sic)	5,498.50
Schoeller-Bleckmann-Stahlwerke A.G.	Steel	68,222.45
SMV G.m.b.H.	Ball bearings	6,112.50
"Chemia" Chemikalien G.m.b.H. (3)	Carbides and hydrochloric acid	35,838.00

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<u>Firm</u>	<u>Item Purchased</u>	<u>Amount in Schillings</u>
Ebenseer Solvay-Werke Solvay & Cie. Kmdt.-Ges.	Carbides and hydrochloric acid	73,999.50
Bahnbedarf A.G.	Railroad cross ties	10,178.00
Two Vienna firms	Work clothing (4)	30,857.00
"Standard" Ges. für Techn. Artikel	Rubber goods Fan belts	62,792.78 14,270.03
Spezialfabrik moderner Pumpen Ernst Vogel, Stockerau, Lower Austria	Pumps	2,801.00
Schiff & Stern, Vienna II	Steel	19,670.00
Sebek (5)	Steel	13,050.00
* Boehler Gebr. & Co. A.G.	Steel	72,640.00
Natronzellstoff- u. Papierfabrik Frantschach	Kreuzbodensäcke	2,340.50
K.J. Baldauf, Vienna V	Building material	63,404.46
* Donau-Chemie A.G.	Payment on account	100,000.00
Oesterreichisches Branntweinmonopol	Alcohol	1,097.50
Simmering-Graz-Pauker A.G. für Maschinen-, Kessel- u. Waggonbau	Steel beams	2,940.00
Joseph Lutz & Co., Vienna IV	Tires	3,792.60
Weiner (6)	Tires	4,286.52
7 Vienna firms	Automobile supplies	34,200.92
Bunzl & Biach A.G., Vienna II	Cleaning cloths	2,041.15
Kontinentale Eisenhandelsgesellschaft Kern & Co. G.m.b.H. Vienna I	Steel	9,811.50
Rudolf Kailich	Construction parts	1,572.93
Central Druckerei Ronner & Co.	Office supplies	5,933.00
F. Haberkorn Vienna VII	Fire-extinguishing equipment	1,890.00
Josef Altschul	Electrical equipment	3,591.45
Ziegelwerke Gänserndorf (7)	Bricks	9,300.00
"Manus" Feuerlöschapparatefabrik Josef Riefenthaler, Vienna XX	Fire extinguishers	2,063.00
Eichler (8)	Installation material	18,017.25
Franz Kohmaier, Vienna V	Chains	7,854.00
J. & C. Reder, Vienna XX	Lumber	28,716.59
Kellner & Kunz, Vienna VI	Tools	50,815.29

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<u>Firm</u>	<u>Item Purchased</u>	<u>Amount in Schillings</u>
* Henhapel-Heine, Eisen-u. Eisenwarengrosshdlg. A.G., na	Tools	2,289.32
* Hydroxygen-G.m.b.H., Vienna IV	Gas	7,116.85
* Franz Schmitt, A.G. für Lederindustrie, Rehberg bei Krems, Lower Austria	Shoes	77,452.40
* Raab Karcher G.m.b.H., Vienna I	Construction parts	20,127.20
* Wiener Kabel- u. Metall- werke A.G.	Cable	6,433.01
Dipl.-Ing. Bela Frank, Vienna XX	Construction parts	7,450.00
Richard Klinger A.G., Gumpoldskirchen, Lower Austria	Brake platforms	22,817.20
Worthington Pumpen- und Maschinenbau G.m.b.H.	Pumps	3,470.00

10. Between 14 and 20 November 1950 the SMV Purchasing Office disbursed the following expenditures:

<u>Firm</u>	<u>Item Purchased</u>	<u>Amount in Schillings</u>
Ing. Egon Neumann	Nozzles	6,388.00
Franz Mohaupt, Vienna XX	Automobile supplies	22,740.00
K.J. Baldauf, Vienna V	Building material	59,281.46
J. & C. Reder, Vienna XX	Lumber	22,524.03
SKF G.m.b.H.	Ball bearings	3,519.05
Ziegelei Wille Zistersdorf G.m.b.H., Vienna IV	Brick	20,000.00
Eichler (8)	Armatures	3,863.98
Kontinentale Eisenhandelsgesell- schaft Kern & Co. G.m.b.H.	Angle iron	9,046.41
"Augum" G.m.b.H., Vienna XII	Automobile supplies	5,965.55
Musil (9)	Automobile supplies	13,880.50
Eisen- und Stahlwerke A.G.	Angle iron	3,331.80
Poldihuetten, Nationales Unternehmen, Prag	Lathe tools	2,760.80
Tendloff-Vamag A.G.	Schliessbacken (sic)	8,500.00
Mannesmann-Trauzl A.G.	Payment on account for build- ing material	996,000.00
"Ariadne" Draht- u. Kabelwerke A.G., Vienna XXI	Cable	4,405.80
Carl Budischovsky & Söhne A.G., Vienna XXI	Fan belts	39,063.20

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<u>Firm</u>	<u>Item Purchased</u>	<u>Amount in Schillings</u>
* W. Megerle, Vienna IV	Paint and lacquer	16,099.15
* Henhapel-Heine, Eisen-u. Eisenwarengrosshdlg. A.G., Vienna	Tools	14,536.38
* Friedrich Weichmann's Nach- folger G.m.b.H.	Floodlights	3,819.90
* Franz Schmitt, A.G. für Lederindustrie, Rehberg bei Krems, Lower Austria	Shoes	63,015.12
* Hydroxygen-G.m.b.H., Vienna IV	Gas and oxygen	6,941.75
Agaswerke A.G., Vienna IV	Gas and oxygen	2,603.00
Adolf Franz Herzog, Vienna I	Coal	3,001.86
Hausmann & Nussbaumer (10)	Work clothing	2,400.00
Ferdinand Hofmann	Work clothing	992.40
Johann Sigwald, Vienna IV	Automobile supplies	1,862.00
Steininger (11)	Automobile supplies	1,470.00
Foitik (12)	Office supplies	2,261.69
Josef & Franz Ruzicka, Vienna X	Steel	5,641.35
Holzbauwerk Franz Havlicek, Vienna XXV (Neu-Erlaa)	Lumber	1,374.80
Kellner & Kunz, Vienna VI	Tools	2,153.61
Franz Makovec, Vienna XXI	Automobile supplies	2,910.60
Riefenthaler (13)	Automobile supplies	2,145.00
F. Haberkorn, Vienna VII	Fire-fighting equipment	2,520.00
Dushek (10)	Automobile supplies	3,810.00
Schranzhofer (10)	Angle iron and T-beams	11,359.81
Traunstein-Vertrieb	Ball bearings	10,930.10
Ing. Hans Sedy, Vienna X	Automobile supplies	23,175.00
"Albus" Kolben-Erzeugung und Zylinder-Schleiferei Johann Weiss & Co., Vienna X	Automobile supplies	22,405.80
* Donau-Chemie A.G.	Payment on account	70,000.00

25X1 (1) [REDACTED]

25X1 (2) [REDACTED] Comment: These purchasing agents are very disgruntled because they have had to leave their homes in the oilfields. They are now demanding extra compensation to cover the costs of moving their families to Vienna.

25X1 (3) [REDACTED] Comment: The SMV Purchasing Office paid this firm the sum of 170,000 schillings for purchases made during the month of October 1950.

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- 25X1 (4) ☐ Comment: In this connection, it is reported that three Juschwneschtrans trucks were scheduled to depart on 14 November 1950 for Drasenhofen to collect a shipment of leather coats, weighing a total of 11,800 kilograms, which the SMV has ordered through Kotva Import-Export G.m.b.H., (erroneously reported as Gottwald ☐ Vienna I, Gonzagagasse 1. As yet the SMV has not paid for any of the work clothing which this firm has imported from Czechoslovakia.
- 25X1 (5) ☐ Comment: Possibly identical with A. Sebek & Co., Vienna V, Ramperstorffergasse 37.
- 25X1 (6) ☐ Comment: Possibly identical with Fritz Weiner, Pneumatikreparaturwerkstätte, Vienna IV, Mühlgasse 22.
- 25X1 (7) ☐ Comment: This firm is not listed in the 1950 Handels- or Industrie-Compass or in the Vienna telephone directory.
- 25X1 (8) ☐ Comment: Possibly identical with Ing. Ewald Eichler, Vienna IV, Favoritenstrasse 20.
- 25X1 (9) ☐ Comment: Musil may be identical with an employee of USIA's Central Commercial Bureau who in the past has handled black market transactions on behalf of USIA.
- 25X1 (10) ☐ Comment: This supplier cannot be identified from available reference material.
- 25X1 (11) ☐ Comment: Possibly Herbert Steininger, Gummibereifungen für Kraftfahrzeuge u. Gespannwagen, Büro Vienna III, Unt. Viaduktgasse 51.
- 25X1 (12) ☐ Comment: Possibly Johann Foltik, Erzeugnisse d. Eisen-u. Metallindustrie, Vienna X, Buchengasse 44.
- 25X1 (13) ☐ Comment: Possibly the firm of "Manus" Feuerlöschapparatefabrik Josef Riefenthaler, Vienna XX.

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